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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

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TAGS: [PREL](#) [PGOV](#) [NZ](#)

SUBJECT: FORMER OPPOSITION LEADER BRASH RESIGNS FROM
PARLIAMENT

REF: WELLINGTON 923

Classified By: ACTING DCM KATHERINE B. HADDA,
FOR REASONS 1.4 (b) and (d).

¶1. (C) Summary: Dr. Don Brash has resigned from Parliament, barely a week after he resigned his leadership of the main opposition National Party. Brash's five years in office, particularly the three as party leader, were characterized by controversy. As leader he elevated National's status but he had become a political liability. Although Brash appears to have voluntarily fallen on his sword, it is also likely that that his colleagues pressed him to leave. The timing of his departure may have been a surprise, however. End Summary.

Brash to leave the political stage in the New Year

¶2. (SBU) Seven days after resigning as the leader of the National Party, Brash announced before a press conference today that he was leaving parliamentary politics for good. Brash, an MP for only five years (three as leader), said he would stay in office for a few weeks, but would not return to Parliament in the New Year. Brash said that he had "constructive" meetings with new leader John Key two days ago and again today but had decided to leave. After he resigned as leader, Brash had said that he would only stay in politics if the new leader gave him a portfolio of significance to manage. In today's press conference, Brash would not say whether he had sought a specific portfolio from Key.

¶3. (SBU) Brash denied that the book by researcher, Nicky Hager, *The Hollow Men*, which detailed his political links with the Exclusive Brethren religious movement (reftel), was a factor in his resignation, instead claiming he had decided it was the right time to leave Parliament. Brash said that he will "be seeking other avenues to contribute to New Zealand's future." Asked whether this meant he would look at directorships of companies, Brash said yes, although not directorships of SOEs (State Owned Enterprises) "with this Government". Under New Zealander's proportional representation system, Brash will be replaced by the next candidate on National's list, Wellington accountant Katrina Shanks. The number of National's seats in Parliament remain unchanged.

¶4. (C) Comment: Pundits have been suggesting for days that Key and possibly other members of the party would ease Brash out of Parliament. Many political observers believed that Brash's continued presence in Parliament would have been detrimental to the National Party, especially given the fresh start Key is trying to make. But while many predicted his departure, the timing may have been a surprise. When Brash resigned, Pol-Econ Counselor happened to be speaking with National Party Foreign Affairs and Defence spokesman Murray

McCully at a foreign policy seminar sponsored by the National Party. National MP Tim Groser told McCully the news, which he said he had "heard from a journalist, so don't take my word for it." McCully is a consummate Party insider and close confidante of Brash and has been working closely with Key on the new leader's transition.

15. (C) Although Brash is respected within the party for vastly elevating its popularity after the crushing 2002 election, the regularity of his political gaffes and the ongoing controversies that continued to swirl around him meant that he had become a liability for the party. His time was effectively up. Brash himself alluded to this in today's statement when he said that he had consulted colleagues and their advice had been mixed. He revealed that some said, "you've done a fantastic job for the National Party. You're work on that has finished." The recent weeks have also clearly been a strain for Brash, as newspaper articles today claimed he had fought back tears while being interviewed in New Plymouth yesterday.

McCormick